UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/412,408	10/05/1999	Kevin Foley	336001-2026	9618

20999 7590 06/19/2008

FROMMER LAWRENCE & HAUG
745 FIFTH AVENUE- 10TH FL.
NEW YORK, NY 10151

EXAMINER	
AGWUMEZIE, CHARLES C	
ART UNIT	PAPER NUMBER
3685	

MAIL DATE	DELIVERY MODE
06/19/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte KEVIN FOLEY and KIM BANG

Appeal 2006-2896
Application 09/412,408
Technology Center 3600

Decided: June 19, 2008

Before TERRY J. OWENS, JENNIFER D. BAHR, and
ANTON W. FETTING, *Administrative Patent Judges.*

FETTING, *Administrative Patent Judge.*

DECISION ON REQUEST FOR REHEARING

The Appellants filed a SECOND REQUEST FOR REHEARING PURSUANT TO 37 C.F.R. § 41.52 on April 14, 2008.

The Examiner rejected claims 1 through 6 under 35 U.S.C. § 112, first paragraph; claims 1 through 6 under 35 U.S.C. § 112, second paragraph; claims 1 through 15 under 35 U.S.C. § 103(a) as unpatentable over Silverman and Tilfors; claims 16 through 19 and 26 through 29 under 35 U.S.C. § 103 as obvious over Silverman; claims 20 through 23 under

35 U.S.C. § 103(a) as obvious over Silverman and McCausland; and claims 24 and 25 under 35 U.S.C. § 103(a) as obvious over Silverman and Ferstenberg.

We affirmed these rejections in our Decision, mailed February 9, 2007. The Appellants filed a REQUEST FOR REHEARING PURSUANT TO 37 C.F.R. § 41.52 on April 9, 2007. We reversed the rejection of claims 1 through 15 under 35 U.S.C. § 103(a) as obvious over Silverman and Tilfors, but left the rejections of claims 1 through 6 under 35 U.S.C. § 112, second paragraph, as failing to particularly point out and distinctly claim the invention, claims 16 through 19 and 26 through 29 under 35 U.S.C. § 103(a) as obvious over Silverman, and claims 20 through 23 under 35 U.S.C. § 103(a) as obvious over Silverman and McCausland sustained in our February 14, 2008 DECISION ON REQUEST FOR REHEARING. We designated the remaining rejections under 35 U.S.C. § 103(a) as new grounds pursuant to 37 C.F.R. § 41.50(b).

The Appellants seek reconsideration of the decisions to reject claims 16 through 19 and 26 through 29 under 35 U.S.C. § 103(a) as obvious over Silverman, and claims 20 through 23 under 35 U.S.C. § 103(a) as obvious over Silverman and McCausland. The Appellants also make a proposed amendment that would overcome the rejections under 35 U.S.C. § 112.

We DENY the REQUEST FOR REHEARING.

ISSUES

The issue pertinent to this request is whether the Appellants have sustained their burden of showing that our new ground of rejection was in error. 37 C.F.R. 41.52(a)(3).

ANALYSIS

The Appellants argue that, as to claim 16, the Board misapprehended Silverman in that Silverman requires negotiation. The Appellants argue that such required negotiation is incompatible with the claim limitations of automatic trading and executing (Second Request 3-4).

In our rehearing decision, we found that Silverman suggests that its capacity for handling loosely or subjectively defined instruments may be added on to known trading systems. Silverman also states that matches are identified by the system based on ranking, price and quantity, which is no more than known trading systems do with orders ranked by time of submission and deviation from market price. Since known trading systems match orders and execute trades automatically in succession, adding Silverman's capacity to them would not diminish this capability of known trading systems (Rehearing Decision 5-6).

Thus, while the Appellants are arguing that automation is incompatible with the operation of the specific negotiation system of Silverman, this argument is not commensurate with the scope of claim 16. Our findings are that Silverman suggests adding such an automation capacity as an additional capability of Silverman, rather than a change to the negotiation functions of Silverman.

The Appellants argue that we should find ourselves in the same dilemma we found in our analysis of claim 1. However, claim 16 does not have the limitations of claim 1, and the rejection of claim 16 is under obviousness, not anticipation.

We found (Rehearing Decision 5) that Silverman states as follows.

> In the embodiments of the negotiated matching system according to the present invention as described above, matches are identified by the system based on ranking, price and quantity as input by each user. However, the negotiated matching system according to the present invention is capable of accommodating types of transactions that have less specific parameters. For example, the system may be used to sell real estate, wherein a potential seller enters the location, square footage, and price range of his house. In response, the system will provide potential counterparties who are interested in houses having those characteristics and are unilaterally or bilaterally ranked as acceptable counterparties.
>
> In other words, the negotiated matching system according to the present invention may accommodate a range of markets from those in which highly specified instruments are traded to those in which loosely or subjectively defined instruments are traded. Known trading systems cannot accommodate the subjectively defined instruments because the known systems do not provide the necessary personalized negotiation opportunity as does the present invention.

Silverman 13:31-58. From this, we found that Silverman suggests that its capacity for handling loosely or subjectively defined instruments may be added on to known trading systems. Silverman also states that matches are identified by the system based on ranking, price and quantity, which is no more than known trading systems do with orders ranked by time of submission and deviation from market price. That is to say, Silverman suggests its application to a range of trading instruments. Although Silverman devotes much of its description to instruments whose value is subjectively defined, Silverman acknowledges its application toward instruments that have objectively defined values, *viz*. those which have ranking, quantity and price already defined. Examples would be commonly traded stocks, bonds, and derivative instruments in which markets exist to provide such objective values. With such instruments, the objective

valuation would obviate the need for the negotiation steps in Silverman. Thus, Silverman would automatically match and execute orders for such instruments, much as conventional trading systems do.

Since conventional trading systems match orders and execute trades automatically in succession, adding Silverman's capacity for dealing with subjectively valued instruments to them would not diminish this capability of automatically matching and executing for objectively valued instruments as in known trading systems. Thus, we find the Appellants have not met their burden of showing error in a rejection under obviousness over Silverman.

Thus, we find the Appellants have not met their burden of showing error in a rejection under obviousness over Silverman.

DECISION

To summarize, our decision is as follows:

- We have considered the SECOND REQUEST FOR REHEARING.
- The rejection of claims 1 through 6 under 35 U.S.C. § 112, first paragraph, as lacking a supporting written description within the original disclosure remains sustained.
- The rejection of claims 1 through 6 under 35 U.S.C. § 112, second paragraph, as failing to particularly point out and distinctly claim the invention remains sustained.
    - *The amendment as proposed by the Appellants changing the words "neither" and "nor" to "either" and "or" in claim 1 will overcome the two rejections under 35 U.S.C. § 112*

- 37 C.F.R. § 41.50(c) states that the opinion of the Board may include an explicit statement of how a claim on appeal may be amended to overcome a specific rejection and the appellant has the right to amend in conformity therewith. The Examiner will enter the proposed amendment after termination of the appeal proceedings.

- The rejection of claims 1 through 15 under 35 U.S.C. § 103(a) as obvious over Silverman and Tilfors remains not sustained.
- The rejection of claims 16 through 19 and 26 through 29 under 35 U.S.C. § 103(a) as obvious over Silverman remains sustained.
- The rejection of claims 20 through 23 under 35 U.S.C. § 103(a) as obvious over Silverman and McCausland remains sustained.
- The rejection of claims 24 and 25 under 35 U.S.C. § 103(a) as obvious over Silverman and Ferstenberg remains sustained.

REHEARING DENIED

JRG

FROMMER LAWRENCE & HAUG
745 FIFTH AVENUE- 10TH FL.
NEW YORK, NY 10151